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Suzanne Henderson

E-RECORDING RECORDATION PAGE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

Producers 88 (7-69) Amended-Paid Up With 640 Acres Pooling Provision

OIL, GAS AND MINERAL LEASE

(Surface Use Prohibited)

THIS AGREEMENT made this	ym	day of February	, 2001 between	Jackson, Tinesha N.	_, Lessor	(whether	one (or
more), whose address is 5103 Swainsons	Hawk Ln.	Grand Prairie, Texas,	75052 , and	Potestas Corporation.	Lessee, w	hose addres	s is <u>300</u>)4
Fairmount Street, Dallas, TX 75201.								_

WITNESSETH:

1. Lessor, in consideration of <u>Ten and NO/100 (\$10.00) Dollars and Other Valuable Consideration</u>, receipt of which is hereby acknowledged, and of the covenants and agreements of lessee hereinafter contained, does hereby grant, lease and let unto lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil and gas. sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface and subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone—lines, employee houses, and other structures on said land, necessary or useful in lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land", is located in the County of <u>Tarrant</u>, State of Texas, and is described as follows:

Property Description:

4213 Hunters Creek Dr, being described as Block 11, Lot 13, Fox Run Addition, an Addition to the City of Fort Worth, Texas, and more fully described in that certain Deed recorded at Book 15662, Page 396.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by lessor by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain <a href="https://linearchy.new.org/linear

- 2. This is a Paid-Up Lease and subject to the other provisions hereof, this lease shall remain in force for a term of five (5) years from the date hereof, hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- 3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipe line to which lessee may connect its wells, the equal Twenty Five Percent (25%) part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the average posted market price of such Twenty Five Percent (25%) part of such oil at the wells as of the day it is run to the pipeline or storage tanks, lessor's interest, in either case, to bear Twenty Five Percent (25%) of the cost of treating oil to ronder it marketable pipe line oil; (b) To pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee. Twenty Five Percent (25%) of the amount realized by lessee, computed at the mouth of the well or (2) when used by lessee of fsaid land or in the manufacture of other products Twenty Five Percent (25%) of the amount realized from the sale of gasoline or other products extracted there from and Twenty Five Percent (25%) of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression of such gas and casinghead gas. (e) To pay lessor on all other minerable manufacture of utilized by lessee, from said land, one tenth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continued in force as though operations were being conducted on said land, for so long as said wells are shut-in, and thereafter this lease may be continued in force as though operations were being conducted on said land, for so long as said wells are shut-in, to leave the said and or on lands with which said land or any portion thereof has been pool
- 4. Lessee is hereby granted the right, at its option, to pool or unitize all or any portion of the land covered by this lease or interest therein with any other land, lease, or leases, as to any or all minerals, depths or horizons, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit establish for an oil well, which is not a horizontal completion, shall contain not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the Texas Railroad Commission, (4) horizontal wells as allowed by the Texas Railroad Commission. If larger units than any of those herein permitted, either at the time established, or after enlargement, are required under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size required by such governmental order or rule. Any unit so formed may be amended, increased in size, decreased in size, or changed in configuration, at the election of Lessee, at any time and from time to time, and Lessee may vacate and dissolve any unit by instrument in writing filed for record in said county at any time when there is no unitized strained to time, and Lessee may vacate and dissolve any unit by instrumen

within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease. Neither shall it impair the right of lessee to release as provided in paragraph 5 hereof. At any time while this lease is in force lessee may dissolve any unit established hereunder by filling for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this para

Lessee shall disburse or cause to be disbursed Lessor's royalty on production due under the terms of this Lease on production from a well within three (3) months following the first month in which production from such well is first sold and thereafter on or before the end of the third month after the month such production occurs, provided however, Lessee may accumulate and pay any royalty payments due Lessor hereunder (including shut-in royalty) until the amount to be paid Lessor equals at least the sum of twenty-five (\$25) dollars or the last day of December, whichever occurs first. If such royalty is not timely paid, it shall bear interest at a rate of twelve (12%) per annum until paid. The provisions of this section shall not apply to and the payment of royalty may be suspended with respect to production from or attributable to any part of the leased premises which is subject to a good faith title dispute or an adverse claim. Lessee may at any time and from time to time execute and deliver to lessor or file of record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations as to the released acreage or interest.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file of record a release or releases of this lease as to any part or all of said land or of any mineral or horizon there under, and thereby be relieved of all obligations as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil and/or gas, sulphur or other minerals, excavating a mine, sulphur or other mineral, whether or not in paying quantities. For purposes of this Lease, operations on wells drilled on other lands which are permitted to be drilled to, under or through the leased premises or lands pooled therewith or which are in fact drilled to, under or through the leased premises or lands pooled therewith shall be considered as operations on the leased premises.
- 7. Lessee shall have the use, free from royalty, of ground water, other than from lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or permanent buildings now on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of lessee, including, but not limited to, the location and drilling of wells and the measurement of production. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. Notwithstanding any other actual or constructive knowledge or notice thereof of or to lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until thirty (30) days after there has been furnished to such record owner at his or its principle place of business by lessor or lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event lessor considers that lessee has not complied with all its obligations hereunder, both expressed and implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any act by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require: and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained.
- 10. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface easement under and through the leased premises for the placement of well bores from oil and gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface easement shall run with the land and survive any termination of this lease.
- 11. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever arising by, through or under Lessor, but not otherwise. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but lessor agrees that lessee shall have the right at any time to pay or reduce the same for lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not), or no interest therein, then the royalties and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as lessor.
- 12. Should Lessee be prevented from complying with any expressed or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals there from by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the lease premises and for additional period of ninety (90) days following the removal of such delay or cause; and the time while the Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

IN WITNESS WHEREOF, this instrument is executed on the da	te first above written.
(Lessor	Lessor
STATE OF	Notary Signature: Notary Signature: Notary Signature: Printed Name: Notary Signature: Notary Signature:
November 7, 2011 STATE OF	Notary Public, State of: My Commission Expires: [1-7-11]
COUNTY OF	day, 2007 by (Lessor/s Printed Name/s)
Record & Return to: Chesapeake Operating, Inc. P.O. Box 18496 Oklahoma City, OK 73154	Notary Signature: Printed Name: Notary Public, State of: My Commission Expires:

13. Anything to the contrary herein notwithstanding, this lease does not grant to Lessee any rights whatsoever, express or implied, to go upon or use any portion of the surface of the leased premises for any purpose hereunder. No wells will be drilled, and no facilities of any kind (including, but not limited to, roads, pipelines, flow lines, water reserve pits, tank batteries or treaters) will be placed on the surface of the Leased Premises.